

State of Utah

Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT Lieutenant Governor

| Representatives Present During the Inspection: | | | | |
|--|---|--|--|--|
| Company | Gregg Galecki Environmental Coordinator | | | |
| OGM Karl Houskeeper Environmental Scientist | | | | |

Inspection Report

| Permit Number: | C0070005 |
|------------------|-----------------------------|
| Inspection Type: | PARTIAL |
| Inspection Date: | Thursday, January 07, 2010 |
| Start Date/Time: | 1/7/2010 8:00:00 AM |
| End Date/Time: | 1/7/2010 1:45:00 PM |
| Last Inspection: | Thursday, December 03, 2009 |

Inspector: Karl Houskeeper, Environmental Scientist III

Weather: <u>Clear, Temp. 15 Deg. F.</u> InspectionID Report Number: <u>2240</u>

Types of Operations

Accepted by: jhelfric

Thursday, January 07, 2010

Date

1/25/2010

Permitee: CANYON FUEL COMPANY LLC
Operator: CANYON FUEL COMPANY LLC

Site: SKYLINE MINE

Address: HC 35 BOX 380, HELPER UT 84526

County: CARBON

Permit Type: PERMANENT COAL PROGRAM

Permit Status: ACTIVE

Current Acreages

| 11,064.00 | Total Permitted |
|-----------|------------------------|
| 84.25 | Total Disturbed |
| | Phase I |
| | Phase II |
| | Phase III |

Mineral Ownership

✓ Federal
✓ Underground

✓ State
Surface

County
Loadout

✓ Fee
Processing

Other
Reprocessing

Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:

Mine site is blanketed by snow.

| | | | nature: |
|------|-------|---------|---------|
| ıne | nacto | r'e Sin | natura: |
| 1113 | | 1 3 014 | mature. |

Karl Houskeeper, Environmental Scientist III

Inspector ID Number: 49

Note: This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS

- 1. Substantiate the elements on this inspection by checking the appropriate performance standard.
 - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
 - b. For PARTIAL inspections check only the elements evaluated.
- 2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
- 3. Reference any narratives written in conjunction with this inspection at the appropriate performace standard listed below.
- 4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

| | | Evaluated | Not Applicable | Comment | Enforcement |
|------|---|-----------|----------------|----------|-------------|
| 1. | Permits, Change, Transfer, Renewal, Sale | | | | |
| 2. | Signs and Markers | ✓ | | V | |
| 3. | Topsoil | | | | |
| 4.a | Hydrologic Balance: Diversions | ✓ | | V | |
| 4.b | Hydrologic Balance: Sediment Ponds and Impoundments | ✓ | | ✓ | |
| 4.c | Hydrologic Balance: Other Sediment Control Measures | | | | |
| 4.d | Hydrologic Balance: Water Monitoring | | | | |
| 4.e | Hydrologic Balance: Effluent Limitations | | | | |
| 5. | Explosives | | | | |
| 6. | Disposal of Excess Spoil, Fills, Benches | | | | |
| 7. | Coal Mine Waste, Refuse Piles, Impoundments | | | | |
| 8. | Noncoal Waste | V | | | |
| 9. | Protection of Fish, Wildlife and Related Environmental Issues | | | | |
| 10. | Slides and Other Damage | | | | |
| 11. | Contemporaneous Reclamation | | | | |
| 12. | Backfilling And Grading | | | | |
| 13. | Revegetation | | | | |
| 14. | Subsidence Control | | | | |
| 15. | Cessation of Operations | | | | |
| 16.8 | a Roads: Construction, Maintenance, Surfacing | V | | V | |
| 16.b | Roads: Drainage Controls | | | | |
| 17. | Other Transportation Facilities | | | | |
| 18. | Support Facilities, Utility Installations | | | | |
| 19. | AVS Check | | | | |
| 20. | Air Quality Permit | | | | |
| 21. | Bonding and Insurance | | | | |
| 22. | Other | | П | | |

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2. Signs and Markers

The Mine ID signs are at the point of public access to the permit area and contain the required information. All other signs and markers are in accordance with the coal rules.

4.a Hydrologic Balance: Diversions

Diversions are snow covered.

4.b Hydrologic Balance: Sediment Ponds and Impoundments

Sediment ponds are iced over.

16.a Roads: Construction, Maintenance, Surfacing

Roads have been plowed to remove the snow. Care has been taken not to impede the diversions.